PRIVILEGE MOTION

Re : A Member's remarks about the Composition of the Select Committee on Mysore Motor Vehicles Taxation Bill, 1957.

Mr. SPEAKER.—I have received another motion of privilege, tabled by Hon'ble Sri V. P. Deenadayalu Naidu. He has given notice of his intention to raise a question of privilege in the House.

It appears when the Motor Vehicles Taxation Bill was being discussed in the House, Shri Muckannappa remarked that considering the names of members of the Select Committee, no purpose would be served by referring the Bill to the Select Committee. He has also stated that above one-third of the members constituting the committee have got vested interests inasmuch as they are either related to the bus owners or connected with the bus owners in some way or other. Another remark made by Shri Muckannappa is against two members in particular who according to him are interested parties and will naturally try to safeguard their interests as such no justice could be expected from them. The exact words uttered by him are; "ಮುಖ್ಯವಾಗಿ ಸದಸ್ಯರ ಪಟ್ಟಿಯಲ್ಲಿ 5ನೆಯ ನಂಬರಿನ ಮತ್ತು 14ನೆಯ ನಂಬರಿನ ಸದಸ್ಯರಿಗೂ ಈ ವಿಚಾರದಲ್ಲಿ ಡೈರೆಕ್ಟ್ ಕಾಂಟ್ಯಾಕ್ಟ್ ಇದೆ. ಅವರು ತಮ್ಮ ಬಂಧುಗಳನ್ನೂ ತಮ್ಮ ಕಂಪನಿಯವರನ್ನೂ ಉಳಿಸಿಕೊಳ್ಳಬೇಕೆನ್ನುವ ಮನಸ್ಸುಳ್ಳವರಾಗಿದ್ದಾರೆ." Shri Deenadayalu Naidu has taken objection to these words on the ground that they were casting reflection on another member of the House and thus it constituted a breach of privilege of the member.

The point to be considered is whether the words uttered by Sri Muckannappa are really reflections on another member. It has been ruled that reflections on another member should not be too general in character. They must relate to a particular conduct of the member in relation to his Parliamentary duties.

What Sri Muckannappa has said would appear to come under his criticism against the motion before the House. It is open to a member to oppose a motion or to move an amendment thereto. He will have to give his reasons for this. Sri Muckannappa has given his reasons for not referring the Bill to a Select Committee on the ground that some of the members happened to be interested parties. It does not therefore amount to reflection on another member. It is only criticism offered by a member,

Therefore, there is no *prima facie* case of breach of privilege in this.

MYSORE SALES TAX BILL, 1957.

Presentation of the Report of the Select Committee.

Sri T. MARIAPPA (Minister for Finance).—Sir, I beg to present the Report of the Select Committee on the Mysore Sales Tax Bill, 1957. While presenting the report I beg to inform the House of the unstinted co-operation extended by the Members of the Select Committee in formulating the Report. Sir, the Members of the Select Committee had a very strenuous time. We had almost morning and evening sittings. We worked late in the nights. Therefore, I must pay my humble tribute to all the Members, who, regardless of the inconveniences, worked to finalise the Report of the Select Committee. As has been pointed out in the Report itself, we have tried to simplify the measure and to rationalise the provisions. The Bill presented to the House in the original form was not very clear in the items brought under the Schedules.

Now, we have to rationalise the items under various schedules. We have therefore rearranged the items under the respective schedules so that the whole thing may be clear to every one. To cite an instance, we have taken out all the items on which additional levy is proposed to be levied under Schedule I. Then all articles where taxation is proposed to be levied are put in one schedule; then all articles proposed to be taxed at the purchase point are put under another schedule;

declared goods are brought under another schedule and exemptions are finally put in the last schedule. The House will therefore see that these articles are grouped according to the point of sale and according to the importance of the commodity for the consumers and all the Members of the Committee except perhaps one or two have agreed that the luxury articles should bear a higher rate of tax and in the case of raw materials, the Committee has proposed a lower rate of tax. One fundamental idea that was before the Committee throughout was that the rate proposed should either approximate itself to that prevailing in the neighbouring area or be on a par with the rate proposed in the neighbouring areas. Sir, the Members of the Committee took a great deal of interest in knowing the structure of sales-tax in the adjacent areas. Full information was provided to the Members by getting the information from Kerala, Madras, Andhra and Bombay. They scrutinised each item and they were able to come to conclusions on the basis of facts placed before them. Sir, it is common knowledge that the levy of sales-tax has a vital bearing on the movement of trade. Without going into the question of movement of trade, if we levy a higher rate of tax, we will certainly give room for the diversion of trade. While we have seen that the luxuries are taxed, we have also taken care to see that they are not taxed higher than the tax prevailing in the adjacent areas. Similarly, with regard to other necessities also. Sir, while introducing the Bill, I had given a promise to the House that foodgrains would not be taxed and that promise has been kept up, and foodgrains have not been taxed. Sir, pulses had to be taxed and in the adjacent area, the rate of taxation is 2 per cent, while, in Mysore, we have proposed only 1 per cent tax on pulses because for the first time it is taxed in the new State of Mysore, while the integrating areas of Hyderabad and Madras had this tax. Similarly, Sir, there are certain items on which there was a lot of evasion of sales-tax because the rate was heavy or high. Even that was considered and we have reduced the rate of tax so that the dealer may not evade the tax. Sir, in the case of cottage industries, the Committee was particularly anxious that the cottage industry should thrive. Under the Second Five Year Plan, it is expected that the production in the cottage industrial sector should as far as possible meet the requirements of the country so that the money realised may be invested on heavy industries. Therefore, we have recommended that the products of the cottage industries, in particular Khadi and village industries, should be exempted from taxation when they are sold for the first time. We will therefore see, Sir, that while we have not departed from the principles of the Bill placed before this House in the first instance, we have tried to see that the structure of taxation is so kept up that the incidence is not heavy on the essential commodities and therefore on the consumers. While the Hon'ble Members agree that the luxury articles should be taxed, taxed more even, even there, we have kept the rates on luxury articles at a moderate level. Sir, if the Hon'ble Members were to take the trouble of going through the rate of taxation prevailing in the adjacent areas, they will see that in the adjacent areas of Kerala and Madras, some of the articles bear a higher rate of taxation. The Committee had to take into consideration the rates prevailing in all the integrating areas and the burden that is likely to fall on the consumers. These were the guiding principles in coming to conclusions; these were the guiding principles that the Committee kept in view before them while considering the Sales Tax Bill. With these words I commend that the Report be accepted by the House.

In this one case, we had to make a slight departure. We did not incorporate the amendments directly in the Bill itself. The reason is this. In some cases we have recommended a higher rate and that requires the recommendation by the Governor. Therefore, we have thought it best to

(Sri T. MARIAPPA)

send up our recommendations in the form of an amendment to be moved by the Government with the recommendations of the Governor. Therefore, we have placed the Report as it is. The Report and the Bill may be taken together and at the appropriate time, the Government will certainly move the recommendations in the form of an amendment.

Mr. SPEAKER.—Now, the Report of the Select Committee on Mysore Sales Tax Bill, 1957, is presented to the House as reported by the Select Committee. The Mysore Sales Tax Bill, 1957 is proposed to be taken into consideration on Monday. The Members desirous of giving notice of amendments may do so before twelve Noon tomorrow.

ಶ್ರೀ ಜಿ. ಎಸ್. ಪುಟ್ಟಣ್ಣ (ತುಮಕೂರು).—ಮಾನ್ಯ ಹಣಕಾಸಿನ ಮಂತ್ರಿಗಳು ಸೇಲ್ಸ್ ಟ್ಯಾಕ್ಸ್ ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಗೆ ಚೇರ್ಮನ್ನರಾಗಿದ್ದು, ಕಮಿಟಿಯ ಮೆಂಬರುಗಳನ್ನು ಬಹಳ ಚೆನ್ನಾಗಿ ಹೊಗಳಿದ್ದಾರೆ.....

ಅಧ್ಯಕ್ಷರು.—ಸೆಲೆಕ್ಟ್ ಕಮಿಟಿಯ ರಿಪೋರ್ಟಿನ ಮೇಲೆ ಈ ಘಟ್ಟದಲ್ಲಿ ಏನು ಮಾತನಾಡುವುದಕ್ಕೂ ಅವಕಾಶವಿಲ್ಲ. ಸೋಮವಾರದ ದಿವಸದವರೆಗೂ ಸ್ವಲ್ಪಕಡೆ ಇರಿ. ಆಗ ತಮಗೆ ಮಾತನಾಡುವುದಕ್ಕೆ ಅವಕಾಶವಿದೆ. ಈಗ ಅವಕಾಶವಿಲ್ಲ. ಹಾಲಿ ಇರುವ ನಿಯಮವನ್ನು ಮುರಿಯಲು ಪ್ರಯತ್ನಿಸಬೇಡಿರಿ.

NON-OFFICIAL BILL

The Bombay Tenancy and Agricultural Lands (Amendment) Bill, 1957.

Motion for leave to introduce.

Sri V. S. PATIL (Belgaum).—Sir, I beg to move :

"That leave to introduce the Bombay Tenancy and Agricultural Lands (Amendment) Bill, 1957, in its application to Bombay, area of the Mysore State be granted."

Mr. SPEAKER.—Motion moved :

"That leave be granted to introduce the Bombay Tenancy and Agricultural Lands (Amendment) Bill, 1957, in its application to Bombay area of the Mysore State, be granted."

Sri V. S. PATIL.—I am asking for leave to introduce this Bill because until a uniform law on tenancy and. . .

Sri S. NIJALINGAPPA (Chief Minister).—No speeches need be made by him.

Mr. SPEAKER.—He will make a short statement.

Sri V. S. PATIL.—Until a uniform law is introduced, the Bombay area of the Mysore State is governed by the Bombay Tenancy Act. After the merger the Bombay Legislature has made certain changes in that Act. So, in order to keep with the spirit of that area and the law that is prevailing in the rest of Bombay, I have moved this amendment. There is nothing new or which in anyway will affect the rights of the party in power. So, I hope the House will give leave to introduce this Bill.

Mr. SPEAKER.—The question is :

"That leave to introduce the Bombay Tenancy and Agricultural Lands (Amendment) Bill, 1957, in its application to Bombay area of the Mysore State, be granted."

The motion was negatived.

NON-OFFICIAL RESOLUTIONS.

No. 1—Payment of monthly Salaries to Thotis and Talwars in lieu of "Mirase."

*ಶ್ರೀ ಜೆ. ನಾರಾಯಣಪ್ಪ (ಮುಳಬಾಗಿಲು).—ಸ್ವಾಮಿ, ನನ್ನ ನಿರ್ಣಯವು ಈ ರೀತಿಯಾಗಿದೆ :

"ರೈತರು ತೋಟಿ ತಳವಾರರಿಗೆ ಮಿರಾಸೆಯನ್ನು ಪಾವತಿಮಾಡುವ ಪದ್ಧತಿಗೆ ಬದಲಾಗಿ ಅವರಿಗೆ ತಿಂಗಳ ಸಂಬಳವನ್ನು ನಿಗದಿ ಮಾಡಬೇಕೆಂದು ಈ ಸಭೆಯವರು ಅಭಿಪ್ರಾಯ ಪಡುತ್ತಾರೆ."

ಅದನ್ನು ಮಂಡಿಸುತ್ತೇನೆ.

Mr. SPEAKER.—Resolution moved :

"That this Assembly is of the opinion that instead of following the practice of making ryots pay 'Mirase' to Thotis and Talwars, they may be paid monthly salaries."

ಶ್ರೀ ತಾರೇಗೌಡರೂ ಸಹ ತಮ್ಮ ತಿದ್ದುಪಡಿಯನ್ನು ಮಂಡಿಸಬಹುದು.